

RESOLUTION NO. 2007-198

A RESOLUTION OF THE LODI CITY COUNCIL
AUTHORIZING THE CITY MANAGER TO EXECUTE AN
EXCLUSIVE FEASIBILITY STUDY PERIOD AGREEMENT
WITH PAM DEVELOPMENT, INC. FOR RAILROAD AVENUE
SENIOR HOUSING PROJECT

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NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute the Exclusive Feasibility Study Period Agreement with PAM Development, Inc., a California corporation, for the development of an affordable housing project known as the "Railroad Avenue Senior Housing Project," attached hereto marked Exhibit A, and further authorize the City Manager to amend Exhibit A to call for a deposit in an amount and to be paid at a time within the City Manager's discretion.

Dated: October 3, 2007

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I hereby certify that Resolution No. 2007-198 was passed and adopted by the Lodi City Council in a regular meeting held October 3, 2007, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Katzakian, and
Mayor Johnson

NOES: COUNCIL MEMBERS – Mounce

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None



RANDI JOHL
City Clerk

**RAILROAD AVENUE SENIOR HOUSING PROJECT
EXCLUSIVE FEASIBILITY STUDY PERIOD AGREEMENT**

This Exclusive Feasibility Study Period Agreement ("Agreement") is entered into between the City of Lodi and Professional Apartment Management Companies ("Affordable Housing Developer"), as of _____, 2007.

Whereas, the City of Lodi desires to encourage the development of an affordable senior housing project on Property located at 232 N. Washington, 242 Rush Street and 420 E. Lockeford Street ("Property"), as detailed in the Exhibit A) ("Project");

Whereas, the City does not currently own but is considering putting \$1.2 million towards the purchase of the Property and contributing it without cost toward the development of the Project;

Whereas, Affordable Housing Developer is only willing to expend the resources necessary to explore the development if the City agrees not to contribute the Property to a third party during the Feasibility Study Period.

Now, therefore the parties hereby agree as follows:

- 1) In the event City actually acquires the Property, City agrees not to transfer the Property to a party other than Affordable Housing Developer for a period of 18 months following the execution of this Agreement ("Feasibility Study Period").
- 2) During the Feasibility Study Period Affordable Housing Developer shall make application to the City of Lodi for entitlements by January 11, 2008, and the City will obtain an appraisal of the properties and shall enter into negotiation to acquire the properties by January 31, 2008.
- 3) Affordable Housing Developer's Deposit: Affordable Housing Developer will deposit security in the amount of \$150,000 with the City in a form acceptable to the City Attorney as earnest money. If Affordable Housing Developer begins construction of the Project, the deposit (with interest actually earned) will be applied toward the Project's development costs as set forth below.
 - a) Affordable Housing Developer shall provide certified invoices for Project development costs to the City's Finance Department for reimbursement. Affordable Housing Developer shall make its records available for audit by the City upon request for verification purposes.
 - b) The City's Finance Department will process and approve or deny all such requests and remit payment for approved invoices within 30 days of receipt until the deposit is exhausted.

- 4) The City agrees to negotiate in good faith exclusively with Affordable Housing Developer toward the contribution of the Property to Affordable Housing Developer for the development of the Project, for a period of 18 months following execution of this Agreement. Notwithstanding the above, City shall be under no obligation to actually acquire the Property.
- 5) This Agreement may not be assigned or transferred without the express written consent of City, which it may withhold in its absolute discretion.

IN WITNESS WHEREOF, the parties hereto, being in agreement with the terms of this writing, have set their hands as follows:

CITY OF LODI, a municipal corporation _____,

BLAIR KING
City Manager

ATTEST:

RANDI JOHL
City Clerk

APPROVED AS TO FORM:

D. STEPHEN SCHWABAUER
City Attorney